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UNCLAS SECTION 01 OF 02 TEL AVIV 003672

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TAGS: [KWBG PREL EAID IS ISRAELI PALESTINIAN AFFAIRS GAZA DISENGAGEMENT](#)

SUBJECT: CODEL KOLBE MEETINGS WITH ISRAEL'S FOREIGN

MINISTER SHALOM AND VICE PREMIER PERES

REF: A) JERUSALEM 02277 B) TEL AVIV 03246 C) IIR

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**¶1.** THIS IS A JOINT MESSAGE FROM EMBASSY TEL AVIV AND CONGEN JERUSALEM.

**¶2.** (U) SUMMARY: DURING A MAY 29-31 VISIT TO ISRAEL AND THE WEST BANK, CODEL KOLBE MET WITH ISRAELI FOREIGN MINISTER SHALOM AND ISRAELI VICE PREMIER PERES, AMONG OTHERS. MINISTER SHALOM SPOKE ABOUT THE RECENT ELECTORAL SUCCESS OF HAMAS AND THE DIFFICULT QUESTIONS POSED BY GAZA DISENGAGEMENT, INCLUDING WHAT TO DO WITH SETTLER HOUSES IN GAZA. VICE PREMIER PERES DESCRIBED ACTIONS THAT MUST BE TAKEN TO BETTER THE LIVES OF PALESTINIANS, INCLUDING WAYS TO IMPROVE THE ECONOMY, INCREASE EMPLOYMENT AND PROVIDE A SOCIAL SUPPORT NETWORK. END SUMMARY.

**¶3.** (U) AS REPORTED IN REFTELS A-C, A CODEL LED BY REP. JIM KOLBE (R-AZ), CHAIRMAN OF THE HOUSE APPROPRIATIONS COMMITTEE'S FOREIGN OPERATIONS SUBCOMMITTEE (HACFO), VISITED ISRAEL AND THE WEST BANK ON MAY 29-31, 2005. THE CODEL INCLUDED NITA LOWEY (D-NY, HACFO), DAVID PRICE (D-NC, HAC), ROGER WICKER (R-MS, HAC), MARION BERRY (D-AR, HAC), SUSAN DAVIS (D-CA, HASC), JEFF MILLER (R-FL, HASC) AND GARY ACKERMAN (D-NY, HIRC). THEY WERE ACCCOMPANIED BY COMMITTEE STAFF MEMBERS BETSY PHILLIPS AND RODNEY BENT (HACFO), DAVID ADAMS (HIRC), AND JENNIFER MILLER (HAC), AS WELL AS STEVE MARCHESE (STATE/H) AND DAVID LINER (USAID/LPA).

**¶4.** (U) THE CODEL VISITED SEVERAL USAID PROJECT SITES IN THE WEST BANK AND MET WITH PALESTINIAN INTERIOR MINISTER NASSER YOUSSEF, PUBLIC WORKS MINISTER MOHAMMED SHTAYYEH, AND U.S. SECURITY COORDINATOR GENERAL WARD (SEE REFTEL A). THE CODEL ALSO MET WITH FOUR ISRAELI OFFICIALS: FOREIGN MINISTER SYLVAN SHALOM, DEFENSE MINISTER SHAUL MOFAZ, VICE PREMIER SHIMON PERES, AND PRIME MINISTER ARIEL SHARON. THE MEETINGS WITH PRIME MINISTER SHARON AND MINISTER MOFAZ WERE DESCRIBED IN REFTELS (B) AND (C), RESPECTIVELY. THE MEETINGS WITH MINISTER SHALOM AND VICE PREMIER PERES ARE DESCRIBED BELOW.

**¶5.** (SBU) THE CODEL MET WITH FOREIGN MINISTER SYLVAN SHALOM ON SUNDAY, MAY 29. MINISTER SHALOM'S COMMENTS INCLUDED THE FOLLOWING POINTS:

A MAJOR SHIFT IS UNDERWAY IN THE MIDDLE EAST AWAY FROM POLITICAL EXTREMISM TOWARDS MODERATION AND DEMOCRACY. EXAMPLES INCLUDE ELECTIONS (PAST AND PLANNED) IN IRAQ, THE PALESTINIAN TERRITORIES, EGYPT, LEBANON AND KUWAIT. THE INTERNATIONAL COMMUNITY NEEDS TO EMBRACE MODERATES AND ISOLATE EXTREMISTS, INCLUDING IRAN, SYRIA AND THE TERRORIST GROUPS.

HAMAS HAS BECOME A POTENT POLITICAL PARTY, AS SHOWN BY RECENT MUNICIPAL ELECTION RESULTS. LIKE HIZBALLAH, HAMAS IS PURSUING POLITICAL POWER WHILE CONTINUING MILITARY ACTIVITIES.

REGARDING GAZA DISENGAGEMENT, THE PROCESS MUST BE CONTROLLED BY PALESTINIAN PRESIDENT MAHMUD ABBAS, NOT BY HAMAS AND OTHER TERRORIST GROUPS. ABBAS MUST DISMANTLE TERRORIST INFRASTRUCTURE.

A MAJOR DILEMMA POSED BY GAZA DISENGAGEMENT IS WHETHER ISRAEL SHOULD DEMOLISH THE HOUSES NOW OCCUPIED BY SETTLERS. DEMOLISHING THEM WOULD CREATE SPACE TO HOUSE MORE PALESTINIANS, BUT DEMOLITION IS OPPOSED BY THE INTERNATIONAL COMMUNITY.

ANOTHER DISENGAGEMENT QUESTION IS WHAT TO DO WITH THE PHILADELPHI CORRIDOR NEAR RAFAH, BECAUSE THE CORRIDOR HAS BEEN USED TO SMUGGLE WEAPONS FROM EGYPT.

THE SEPARATION BARRIER IS A TEMPORARY MEASURE. ISRAEL HAS MOVED TEMPORARY BORDERS WITH NEIGHBORS IN THE PAST AND COULD DO SO AGAIN.

AIN.

IRAN IS STALLING FOR TIME TO DEVELOP ITS NUCLEAR CAPABILITY.

16. (SBU) THE CODEL MET WITH VICE PREMIER SHIMON PERES ON SUNDAY, MAY 29. THE VICE PREMIER EMPHASIZED SEVERAL THINGS THAT SHOULD BE DONE IN THE RUN UP TO GAZA DISENGAGEMENT AND ITS AFTERMATH:

FACILITATE MORE RAPID PASSAGE OF GOODS AND PEOPLE BETWEEN ISRAEL AND THE PALESTINIAN TERRITORIES.  
ECONOMIC NEEDS MUST BE BALANCED AGAINST SECURITY NEEDS.

CREATE AN ALTERNATIVE TO THE SOCIAL SUPPORT

NETWORK PROVIDED BY HAMAS. PERES SUPPORTS THE IDEA OF THE PALESTINIAN AUTHORITY ESTABLISHING A PALESTINIAN FUND FOR SOCIAL WELFARE WITH FUNDING OF \$10 MILLION PER MONTH.

TO INCREASE EMPLOYMENT, PROMOTE AGRICULTURE, WHICH IS THE MOST PROMISING SECTOR OF THE PALESTINIAN ECONOMY, IT IS IMPORTANT THAT THE GREENHOUSES IN THE GAZA SETTLEMENTS BE PRESERVED AND HANDED OVER TO PALESTINIANS INTACT.

ENCOURAGE TOURISM.

"PRIVATIZE PEACE" - THAT IS, USE PRIVATE SECTOR TRADE AND DEVELOPMENT TO PROMOTE PEACE, SUCH AS CH AS DEVELOPING QUALIFIED INDUSTRIAL ZONES AND BUILDING INDUSTRIAL PARKS.

THE VICE PREMIER ALSO COMMENTED THAT ISRAEL MADE A MISTAKE BY INVESTING IN THE PALESTINIAN TERRITORIES (I.E., BUILDING SETTLEMENTS), WHILE OVERLOOKING PROBLEMS AT HOME, INCLUDING UNDERDEVELOPMENT IN THE NEGEV AND THE GALILEE. ISRAEL NEEDS TO CORRECT THESE MISTAKES BY PROMOTING HIGH TECH IN THE NEGEV AND TOURISM IN THE GALILEE. PERES CLOSED BY REITERATING HIS CONTINUING GRATITUDE FOR AMERICAN COOPERATION IN THE MIDDLE EAST. HE STATED THAT WHILE EUROPE TALKS, AMERICA ACTS.

KURTZER